

David J. Jordan
FOLEY & LARDNER LLP
95 S. State Street, Suite 2500
Salt Lake City, UT 84111
Tel. (801) 401-8919
Email: djordan@foley.com

Thomas J. Krysa (*pro hac vice*)
Stephanie Adamo (*pro hac vice*)
FOLEY & LARDNER LLP
1400 16th Street, Suite 200
Denver, CO 80202
Tel. (720) 437-2000
Email: tkrysa@foley.com
sadamo@foley.com

Attorneys for Kristoffer Krohn

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF UTAH, NORTHERN DIVISION**

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

GREEN UNITED, LLC, a Utah limited
liability company; WRIGHT W.
THURSTON, an individual; and
KRISTOFFER A. KROHN, an individual;

Defendants,

TRUE NORTH UNITED INVESTMENTS,
LLC, a Utah limited liability; and BLOCK
BROTHERS, LLC, a Utah limited liability
company;

Relief Defendants.

Case No.: 2:23-CV-00159-BSJ

**KRISTOFFER KROHN'S
SUPPLEMENTAL
STATEMENT IN SUPPORT OF
HIS MOTION TO DISMISS**

INTRODUCTION

At the September 8, 2023 hearing on the Defendants' motions to dismiss, the Court ordered each of the Defendants to provide the following information in a supplemental statement:

- (1) What is a Green Box?
- (2) What software, if any, was sold with the Green Box?
- (3) What, if anything else, was sold to purchasers?

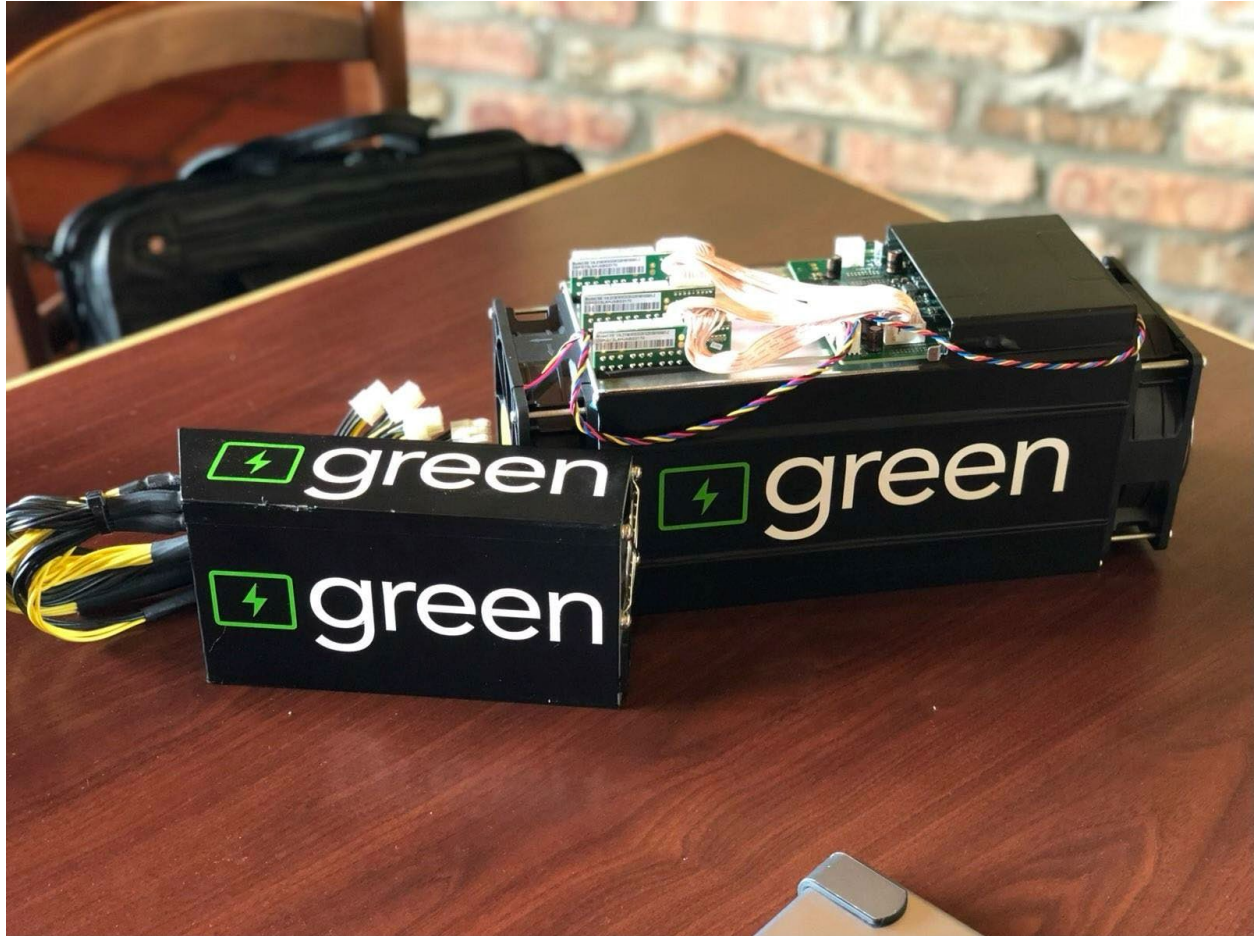
Because Mr. Krohn only sold Green Boxes to purchasers, this statement focuses on the first two questions posed above.

SUMMARY STATEMENT

For a six-month period during 2018, Mr. Krohn contracted with Green United, LLC ("Green United") to sell Green Boxes. A Green Box was a high-powered computer that a purchaser could use to mine cryptocurrencies such as Bitcoin. Cryptocurrencies are created and transferred using blockchain technology, which is a decentralized and secure digital ledger that stores information. Each cryptocurrency is created, maintained and recorded on a separate blockchain.

A tremendous amount of computer power is required to establish and maintain a blockchain. Computers help to establish and maintain the blockchain by competing to solve complex math problems to establish the next entry in the blockchain (which generally reflects the ownership or transfer of a unit of cryptocurrency). This process verifies the integrity and security of the digital ledger. The people who use computers to help establish and maintain a blockchain are called "miners." Miners can earn cryptocurrency as a reward if they are successful in solving the complex math problems to establish the next entry in the blockchain. This reward provides incentives for people to participate in the mining process.

Each Green Box contained computer software that provided the functionality to mine cryptocurrencies such as Bitcoin. A picture of a Green Box is depicted below in Figure 1:



-Figure 1-

As shown above in Figure 1, a Green Box is about the size of a compact desktop computer. These machines are what Mr. Krohn sold to purchasers who wanted to mine cryptocurrencies. Importantly, Mr. Krohn did not sell interests in Green United – he did not sell stock, profits interests, or rights to profits generated by Green United’s operations. When Mr. Krohn sold a Green Box he generated operating revenue for Green United, and he earned a commission for the

sale. These computer sales did not generate “offering proceeds.” Indeed, there is no stock offering or initial coin offering (“ICO”) alleged in the Complaint – because there was none.¹

Finally, it is important to note that Mr. Krohn sold Green Boxes to purchasers only in the very early stages of Green United’s operations – during April through October 2018. He was not involved with Green United in 2019 when it changed its business model and discontinued the sale of Green Boxes. At bottom, Mr. Krohn sold high-powered computers to consumers during April through October 2018; he did *not* securities to investors in Green United.

RESPECTFULLY SUBMITTED this 25th day of September, 2023.

FOLEY & LARDNER LLP

/s/ Thomas J. Krysa

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sadamo@foley.com

¹This is the SEC’s conundrum. Green United was initially self-funded. The lack of an initial securities offering has the SEC attempting to jam a square peg into a round hole (by characterizing product sales as a sale of securities).

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 25th day of September, 2023, a true and correct copy of the above and foregoing **KRISTOFFER KROHN'S SUPPLEMENTAL STATEMENT IN SUPPORT OF HIS MOTION TO DISMISS** was filed and served *via* CM/ECF upon the following:

Michael E. Welsh
Casey R. Fronk
Securities and Exchange Commission
351 South West Temple, Suite 6.100
Salt Lake City, UT 84101

/s/ Heather Kunkel

Heather Kunkel